



**Department of Justice
U.S. Attorney's Office
Southern District of Texas**

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FOR IMMEDIATE RELEASE
WEDNESDAY, MAY 31, 2006
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**REAL ESTATE AGENT AND LOAN OFFICER SENTENCED FOR ROLES IN
MULTIMILLION DOLLAR MORTGAGE FRAUD SCHEME**

HOUSTON, TX – Cynthia Eneanya, 33, of Missouri City, Texas, a licensed loan officer, and James Turner, 52, of Houston, a licensed realtor, were sentenced to federal prison for their roles in a mortgage fraud scheme, United States Attorney Don DeGabrielle announced today. Eneanya was convicted following a jury trial in December 2005 of conspiracy to commit wire fraud, conspiracy to launder funds, and 22 counts of wire fraud. Today, United States District Judge Nancy F. Atlas sentenced Eneanya to 63 months in prison, without parole, to serve two years under the supervision of the United States Probation Office after her release from prison and to pay \$1.72 million in restitution. Judge Atlas also sentenced Turner, who was convicted by guilty plea of conspiracy to launder funds, to 15 months in federal prison and also ordered to serve a two-year term of supervised release.

During Eneanya's week-long trial, the United States presented evidence that showed the workings of a multi-million dollar mortgage fraud scheme executed in the Houston area between September 2003 and August 2004. The scheme involved the securing of mortgages by the defendants in amounts greater than the amount the seller received in payment for the house. The difference between the sales price and the mortgage amount was given by the buyers to the defendant brokers. These real estate transactions were allegedly brokered by Peter Gibson Kolo, Eneanya's brother in law, through his company, AMH Enterprises. Thereafter, the defendant buyers defaulted on the loans.

Michael McKelvey, Gerald Scott and Johnny Hill were the buyers of the houses brokered through AMH Enterprises. Cynthia Eneanya, a licensed loan officer with the Texas Department of Savings and Mortgage Lending, operated AMH Enterprises. Each buyer received \$5,000 for each house they purchased through the scheme. These funds were paid by Eneanya through AMH Enterprises to James Turner, a licensed realtor, who acted as a middleman in this scheme.

The defendants obtained a mortgage to purchase a total of twelve houses, each with an estimated value of approximately \$500,000 or more, by making false statements and concealing facts in their sworn mortgage applications, such as: falsely inflating incomes; listing false employers; providing false references; falsely stating that current residences were leased; falsely stating the buyer intended to live in the purchased house after the sale was completed; and failing to disclose obligations to pay for other homes previously purchased in the scheme. Eneanya, as a licensed loan officer, completed the mortgage applications and submitted them to the mortgage

companies for their consideration. She also worked as a mortgage broker and arranged the loans for the buyers in the scheme.

The defendants caused more than \$6.9 million in wires to be sent to title companies to effect the closing on the homes. Losses to the lenders were over \$2 million.

In addition to Eneanya and Turner, three other persons have been convicted in association with the scheme. Michael McKelvey, Gerald Scott, and Johnny Hill all pleaded guilty to conspiracy to commit wire fraud. Johnny Hill was sentenced to two (2) years probation by Judge Atlas on May 5, 2006. McKelvey and Scott are scheduled to be sentenced on various dates over the next month.

The sixth and last defendant named in the indictment, Peter Gibson Kolo, remains a fugitive. A warrant remains outstanding for his arrest. **An indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless and until convicted through due process of law.**

This case was investigated by special agents of the United States Secret Service and the Internal Revenue Service Criminal Investigations. The case is being prosecuted by Assistant United States Attorneys Jay Hileman and Hays Jenkins.

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